

1 **STATE OF RHODE ISLAND AND PROVIDENCE**
PLANTATIONS

NARRAGANSETT BAY COMMISSION

2

3 **IN RE:**

4 **MONTHLY BOARD MEETING OF COMMISSION**

5 **DATE: September 26, 2007**

TIME: 11:00 A.M.

6 **PLACE: Narragansett Bay Commission**

Corporate Office Building

7 **Providence, RI 02905**

8 **PRESENT:**

9 **Vincent Mesolella, Chairman**

Raymond Marshall, Executive Director

10 **Joseph D'Angelis, Legal Counsel**

Patrick Caine

- 11** **Richard Worrell**
Kristin Sullivan
- 12** **Alan Nathan**
Richard Burroughs
- 13** **R. David Cruse**
Al Montanari
- 14** **Leslie Gray, III**
Leo Thompson
- 15** **Jonathan Farnum**
Michael DiChiro
- 16** **Michael Salvadore**

17 **ALSO PRESENT:**

- 18** **Jean-Marie Grossi**
Karen Giebink
- 19** **Patricia Boucher**
Paul Nordstrom
- 20** **Harold Gadon**
Jenn Harrington
- 21** **Dan Smith**
Thomas Uva

22

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(HEARING COMMENCED AT 11:16 A.M.)

2

MR. CHAIRMAN: Okay. The first thing I'd like to do

3

this morning is introduce myself. I'm still Vin Mesolella.

4

I'll call the meeting to order at 11:16 on September 26th.

5

I'd like to welcome everyone back. I hope everyone

6

**had a great, safe summer vacation and we're ready to go
back**

7

to work. Over the next couple of months we have some very

8

exciting things to be talking about.

9 **The first order of business today is approval of the**
10 **minutes from June the 20th. Have all members had an**
11 **opportunity to review the minutes? And if so, are there any**
12 **comments, questions or criticisms?**

13 **(NO RESPONSE.)**

14 **MR. CHAIRMAN: Hearing none.**

15 **MR. GRAY: Move to accept.**

16 **MR. CHAIRMAN: We have a motion to accept the**

17 **previous minutes as presented. Seconded by**
Commissioner

18 **Caine and Salvadore. And all those that are in favor will**
19 **say aye. Are there any opposed? There are none opposed.**
20 **And the motion carries.**

21 **Next order of business is Item number 4 -- I'm**

22 sorry, number 3, which is old business. Is there any old

23 business to come before the Commission, old business of
any

24 kind? Old business?

25 Okay. Moving right along, Item number 4, the

3

1 Executive Director's report. Do you have a report for us,

2 Secretary?

3 MR. MARSHALL: Yes, I do, Mr. Chairman.

4 MR. CHAIRMAN: Proceed.

5 MR. MARSHALL: Okay. I'll try to be brief. For the

6 months of June and July we mailed out your monthly

reports.

7 Hopefully you received them. If you did not, we will get
8 you a copy. I hope you found them interesting or at least
9 they helped you fall asleep a little easier every night
10 during the summer.

11 For August we had excellent treatment results with
12 the numbers in the teens at Field's Point and in the single
13 digits at Bucklin Point.

14 We're experiencing some historic low flows at both
15 of the plants. At Field's Point it's the lowest flows we've
16 seen since late 2001, that's due to the lack of rainfall.

17 And the same thing is happening at Bucklin Point, where
it's

18 the lowest flows in the last two or three years.

19 There's some fairly aggressive projects at Field's
20 Point, where we had to operate with three -INAUDIBLE-
21 settling tanks. It was all planned, as opposed to the nine
22 we normally have online. We still got very good removal
23 numbers and that's a testament to all the planning and hard
24 work of engineering, the contractor that we had working on
25 it, our operations staff, our maintenance people, and of

4

1 course, the weather, because it was all -- all had to be
2 timed with a dry period, which as it turns out, the entire
3 month was essentially.

4 **We've been able to operate as a result of the lower**
5 **flows with some savings in electricity. At the bottom of**
6 **page 2 you'll see that for both July and August we've been**
7 **able to save about 100,000 kilowatt hours per month for the**
8 **first two months as compared to last year, where it was**
9 **operating with fewer influent pumps, which will ease up a**
10 **lot of electricity, so that is a good trend. We will see if**
11 **that continues. But of course, again, we're at the mercy of**
12 **the weather.**

13 **We had a number of training programs that operations**
14 **staff underwent during the month for biological nutrient**
15 **removal to get them ready at Field's Point for that new**
16 **technology we will be bringing to them in the next couple**

17 years.

18 We've got Confined Space Field Training. We've

19 instituted some new standard operating procedures for

20 process control that we've had them work on.

21 The mechanics continue to work on several very large

22 projects at the Ernest Street Pump Station and our

23 Return/Pumping Station in our grid area.

24 We've been able to get more aggressive with the

25 long-term improvement projects that the maintenance staff

5

1 can do, because the asset management program has better

2 allocated our resources.

3 At Bucklin Point with the single digit numbers,

4 they're almost achieving 100 percent removal, which is

5 really phenomenal, but they -- they've been very

-INAUDIBLE-

6 with the new facilities. They've been able to place some

7 techniques that we haven't been able to do before.

8 In terms of nitrogen removal, we are operating at

9 less than the designed standard of 8. We are down around

7.

10 Some days we get down to 5, which is what -- where DEM

11 eventually wants us to go.

12 It doesn't look like we'll be able to get there with

13 the current facility we have in place, which is not a

14 surprise. We're trying to determine just how close we can

15 get. We have a study going on that's due to DEM in
November

16 to identify what our limits actually are.

17 Interceptor Maintenance on page 5 they continue to

18 do their standard 200 to 300 inspections of regulators and

19 catch basins, tidegate structures every month.

20 We were actively and have been actively involved in

21 our summertime program of treating all the catch basins to

22 reduce the areas where mosquitos can breed, that's
something

23 we worked with DEM on.

24 On page 6 we identify the Lincoln Septage Receiving

25 Station. Even in the dry weather we received somewhere

1 between 260 and 270 truck loads of material, which put us
2 well over 700,000 gallons of septage that we received and
3 then we bleed into our system and eventually we treat it at
4 Bucklin Point.

5 The item at the bottom of page 6 is listed under
6 Interceptor Maintenance, but you'll probably also find it
7 under Engineering and Construction Services.

8 We had a problem with one of our overflow structures
9 out in the system, located on South Water Street, right next
10 to The Hot Club. We have an overflow there.

11 We were having some work done by Rescite

12 Construction, who was our contractor on the last CSO

13 contract that we bid. He was doing his work. He needed to

**14 block the outflow pipe, so that the tide would not come
back**

15 in on him while he was doing his work.

16 So he plugged it on the land side and decided it

17 would be a good idea if he also plugged it on the water side

18 and actually found out that he didn't have to do that,

19 because a concrete wall had been poured in front of the end

20 of the overflow pipe.

21 That created some real scrambling by staff. They

22 did a great job coming up with a solution. We have a

23 30-inch outflow at that point. When it was built in 1897 --

24 we actually have a plans that show that -- they also built

25 -- they, meaning the City built a 24-inch drain right above

7

**1 it, so they have dual purposes. They were not
2 interconnected though.**

**3 So what we did is we met with the City. We were
4 able to tie into their drain, which we'll now use as our
5 outflow on a short-term basis.**

**6 The problem, in addition to the 4-foot thick wall
7 that they poured in front of our pipe, they allowed the
8 concrete to flow back into our 30-inch pipe about 15 feet,
9 so it's a solid core of concrete.**

10 **We are looking at technologies to potentially remove**
11 **that, but we have not taken the step to do it. All the**
12 **hydraulic calculations have been done and seem to indicate**
13 **that we can get by on the short term with just the 24-inch**
14 **pipe that we're now tied into.**

15 **They did extend the 24-inch line through their wall.**
16 **They didn't realize the 30-inch pipe was beneath the 24-inch**
17 **line, because one is exposed at low tide. The other -- our**
18 **outflow pipe is never exposed.**

19 **So that was an interesting four or five days,**
20 **because we did have -- the one rainstorm, by the way, that**
21 **occurred in August came in, like, two or three days after we**
22 **discovered that problem.**

23 **So we had people out there overnight with pumps and**

24 **we were ready to do what we had to do to keep the flow**
from

25 **bubbling up into South Water Street, flooding the area and**

8

1 **backing up into the basements of the buildings in that**

2 **neighborhood. It happened to be a Friday night, too, by the**

3 **way, which is one of the most active times down in that**

4 **particular vicinity.**

5 **MR. WORRELL: Question, when was that wall built?**

6 **MR. MARSHALL: It was built in early July as I**

7 **remember.**

8 MR. WORRELL: Of this year? So it's brand new.

9 It's not --

10 MR. MARSHALL: Brand new.

11 MR. WORRELL: Not something when The Hot Club
went

12 there or anything --

13 MR. MARSHALL: That's correct. Now, we do have a

14 sign out there that says: NBC Overflow Pipe No. 16. It's

15 green with white lettering. It's clearly labeled. They

16 apparently thought that the drain was our pipe and there
was

17 no need to contact us, which we should have been
contacted

18 in any event.

19 MR. WORRELL: Is there any liability on their

20 part as far as --

21 MR. MARSHALL: We think so. And in addition,

22 activity of that type would require a CRMC permit. So we

23 asked CRMC, how come we weren't notified, and they said

24 because no permit was applied for.

25 So we are -- of course, our main goal was to make

9

1 sure that the system could have a relief point at that

2 location. We've accomplished that short term. Now we're

3 trying to figure out a long-term solution.

4 It's one of those items that fall into the category

5 of you never know what's going to happen when you show
up at

6 work in the morning. The staff did a great job responding
7 and I will keep you posted on the final resolution.

8 Also, on page 7 and 8 we indicate that there are a
9 number of cleaning and inspection jobs that we are working
10 on in our interceptor system, trying to create more capacity
11 as we can remove grids, that allows more room for the flow,
12 of course.

13 We had an interesting situation as we wrapped up a
14 project in Johnston -- on the Johnston/Providence line,
15 where Buttonhole Golf Course is located. We were having
16 some trouble cleaning a portion of that pipe and what we
17 found after several days of hard work was that there was 17

18 cubic yards of material that we all probably recognize as
19 riprap, large black stones that they use on the side of an
20 embankment on a river.

21 No one's really sure how they got in there, 17 yards
22 is a lot of material. It could have been kids, who just
23 popped a cover and thought it would be a lot of fun to throw
24 the rocks down into the pipe.

25 It was restricting flow, so things are operating

10

1 better now. We have some pictures of that, if you're
2 interested. There must have been a lot of kids that had a

3 lot of time on their hands.

4 So those are the types of things that by being

5 proactive our interceptor maintenance crew is able to find

6 and resolve before it becomes a much larger problem.

7 Engineering has been busy. They've begun several

**8 projects that you approved back in June, which would
include**

9 the nutrient removal, design work at Field's Point. They

10 had a kick-off meeting on that.

11 CSO Phase II work has begun mapping and survey

12 continues. The two long interceptors we'll have along the

13 Woonasquatucket and the Seekonk. In addition to having a

14 kick-off meeting, we've also met with the DOT and the city

15 to work with them coordinating our routing with some

planned

**16 bike routes that the -- that those two organizations have on
17 the drawing boards or in one case it's actually in place, so
18 we might have to disrupt it, but we'll repair it when we're
19 done.**

**20 So there's a good opportunity to work with sister
21 agencies to accomplish some good overall. So that in
22 addition to the environmental benefits there hopefully will
23 be some recreational benefits, in addition.**

**24 We've begun the work on looking for the extraneous
25 flow that we find in the Louisquisset and Branch-Douglas**

1 interceptor up in North Providence. The Louisquisset pipe
2 interceptor replacement, the design has begun on that.

3 We're working with the owners of Twin Rivers/BLB to
4 find out what their future plans include and what future
5 flows they expect to generate, so that we can size the pipe
6 appropriately in case that facility needs to expand in the
7 next several years.

8 That project will probably be designed by the end of
9 the winter with -- hopefully we'll go out to bid some time
10 in the spring and get your approval to go to construction
11 before we adjourn for the next summer recess.

12 We are doing the evaluation at Bucklin Point right
13 now, that's noted on the bottom of page 10, for nitrogen

14 removal. We will probably have to have an additional
15 contract there at some point, that is what we're trying to
16 determine.

17 The construction group has been busy. We have a job
18 out to bid right now, the Bucklin Point Operations Building
19 rehab, where we're going to set up our backup servers and
20 where we will send our employees. If anything ever
happens

21 to this building, that will be our backup facility. So that
22 is actually out to bid. We have five or six interested
23 bidders at this time. The opening is October 3rd.

24 We've been doing a lot of planning work with the
25 Chairman on the future of our facilities down here at

1 **Field's Point. We are acquiring a lot of baseline**
2 **information and I believe the Chairman is going to ask the**
3 **Long-Range Planning Committee to get involved in that at**
4 **some point and so we will have a lot of baseline data for**
5 **them to work with.**

6 **We'll pass this around. This is the material that I**
7 **was mentioning that was removed from that interceptor out**
by
8 **the Buttonhole Golf Course.**

9 **It's good work by the Rescite Construction Company**
10 **on the regulator modifications. They finished Promenade**

11 Street, both at the intersections of Bath and Holden, so we
12 think -- hopefully, we didn't annoy the Chairman too much,
13 because that's where his office is located, and we didn't
14 make him late for too many meetings with all the
15 construction activity we had down in that neck of the
woods.

16 The Tunnel Pump Station is about 60 percent complete
17 and proceeding well. You probably saw the progress
they've
18 made on building the building over the -- that will be the
19 entrance to that pump station.

20 The emergency contract off of Route 95 that I
21 brought to your attention last spring is all completed. We
22 managed to finish that within days of our last meeting.

23 Everything seems to be fine. All the bypass pumping was
24 removed. It was done in a matter of five or so days once
25 they actually got out there and started working.

13

1 Karen gave you a financial report that shows with
2 16.7 percent of the year gone by, we've spent about 15
3 percent of the budget, so we're running under budget.

4 On page 14, Policy, Planning and Regulation, they're
5 working hard trying to resolve our siloxane problem, which
6 we've been able to calculate that 90 percent of the load to
7 the Bucklin Point plant is coming from one company. They
8 are identified in the report.

9 **We've issued an administrative order to them with a**
10 **penalty of \$109,500, which they have appealed and asked**
for
11 **a hearing on. So we'll go forward with that as the schedule**
12 **permits.**

13 **We continue to work on emergency planning**
procedures
14 **for hazardous materials and are looking at a Memorandum**
of
15 **Agreement with other water and wastewater agencies for**
16 **mutual assistance.**

17 **Page 16 takes you to the pretreatment activity**
18 **report, where they show that they've done 95 inspections**
19 **just in the month of August, as well as issuing 35 discharge**

20 permits, that's indicated on page 17.

21 Permits and Planning on page 18. We had a large

**22 project that we worked on over the summer for a project
that**

23 was proposed in Johnston, just west of Route 295. It's

24 1,500 assisted living facility units by an Erickson

25 Retirement Community Group.

14

1 We worked with them in terms of making sure that our

2 pipe was able to take the flows, which was substantial that

3 they were going to generate and that was going along well

4 and for non-sewer related issues they've decided to put the

5 project on hold.

6 We were going to try to work out something along the

7 lines that we did with the Twin River people, where they

8 would make some contributions to some improvements that
had

9 to be made. BLB did that for Twin Rivers, where we lined

10 that 12-inch pipe that's up there.

11 And in addition, they removed all of their

12 infiltration inflow on their own site by putting in an

13 entirely new system and lining various manholes.

14 So on page 19 we show that we continue to make

15 progress with various applicants to remove storm water
from

16 our system whenever possible. So 100,000 gallons at each

17 the Field's Point and the Bucklin Point districts, that will
18 not come into our combined system any longer.

19 And the total for the year is now up to 657,000
20 gallons of flow in a three-month storm, which is what the
21 tunnel was sized for, just in the first part of 2007.

22 That's equal to about 1 percent, by the way, of the volume
23 of the tunnel. So we're pretty happy with that and we'll
24 continue to work along those lines.

25 EMDA, they continue to sample like crazy with nearly

15

1 2,000 samples taken in the month of August and they're
2 trying to calculate or get an idea of what the nitrogen

3 loading is from the treatment plant as a percentage of the
4 entire load that goes into the receiving waters.

5 They've been able to compare it to the rivers that
6 come in, but there are so many other sources, that it isn't
7 necessarily accurate to say that while if we have -- the
8 total was three. The treatment plants contribute one and
9 the rivers contribute two units. We'll just call them for
10 now.

11 But there are so many other sources that are hard to
12 quantify, including the atmosphere, deposition, ground
13 water, storm drains and just overland flow from fertilizer
14 on people's lawns.

15 In monitoring the fecal coliform levels of the

16 rainstorm so that we'll be able to compare what's
happening

17 now with the improvements that are realized through the
18 tunnel coming online next October -- October of '08.

19 The lab, of course, then has to analyze all these
20 samples. On page 23 you'll see that they analyzed 9,000
21 samples in the month of August -- or they did analysis that
22 way, too, 9,000 separate activities on those 2,000 samples
23 that were taken.

24 We are waiting to hear, on page 24, on some grant
25 applications that the state organizations have approved and

1 now we're waiting for some federal responses on those
same

2 applications.

3 One is a \$1 million grant for the wind turbines that

4 we continue to collect data on, the feasibility of across

5 the street. And the other grant is -- or we've asked for a

6 \$100,000 from Homeland Security to install a new fence

7 around Field's Point. That wouldn't cover the entire cost,

8 but it would be a contribution toward that.

9 So I haven't heard anything on those in the past

10 couple of months. But we'll be -- we'll hopefully get a

11 positive response in the next few months.

12 We signed up for the Demand Response Program,
where

13 ISO New England calls you up and asks you to come offline
14 with your load and go onto emergency power. There was a
15 test back in August -- back on August 15th, I believe it was
16 -- 16th and Field's Point was able to respond right away and
17 that went smoothly at Bucklin Point.

18 Because of the sophistication of the new control
19 system, it's not quite as easy to just flip the switch and
20 go on to emergency power. It all has to happen more or
less
21 automatically. So we're working to install some new
22 facilities, so we'll be able to make a quick switch over,
23 which will make the ISO New England people a little
happier.

24 The Wind Energy Project is going well. We'll

25 probably give you a short presentation on that at the

17

1 October retreat. And I think I will end my report there,

2 Mr. Chairman. Are there any questions?

3 MR. CHAIRMAN: Are there any questions for the

4 Executive Director pursuant to his report today?

5 (NO RESPONSE.)

6 MR. CHAIRMAN: Questions of the Executive Director?

7 Commissioner Worrell?

8 MR. WORRELL: That's interesting that you've applied

9 to Homeland Security for that funding for -- or partial

10 funding for the fencing out there. Is there a section of
11 the Commission -- of our operation which has responsibility
12 for overall security?

13 MR. MARSHALL: Yes. Paul Nordstrom, who's our
14 Director of Operations and Engineering has been the one
that

15 has been evaluating over the past couple of years the
16 vulnerability of all of our facilities, whether it's Bucklin
17 Point, Field's Point or out in a collection system.

18 We actually have a program that we've obtained from
19 some of the large technical organizations that we've run
20 through, which assess all of those things, and we've been
21 able to identify what we do well and where we need to make
22 some improvements.

23 I don't know if Paul wants to add anything to, you
24 know, what we've been doing to date or what he feels the
25 most important items are.

18

1 MR. NORDSTROM: We started that probably about four
2 years ago. We've addressed some major concerns. The
3 project which you've already approved -INAUDIBLE- at
Bucklin
4 Point. So if anything should happen to the computers here,
5 we can still conduct our business operations. Some of the
6 features as far as checking procedures, badges, we have
7 those in place.

8 Jim -INAUDIBLE- who works in PP&R and Joe Laplant
9 also worked with me on these things and periodically go
10 through that program and add features that we have
11 incorporated, so we can have the security. We look at it on
12 a regular basis.

13 MR. CHAIRMAN: Are there any other questions? Now,
14 do we have the F-16s recruited in? Should I have everyone
15 licensed to carry firearms for security purposes --

16 MR. MARSHALL: Not yet.

17 MR. CHAIRMAN: All right. Firearm training --

18 MR. NORDSTROM: I think part of the discussion,
19 obviously, when we talk about the campus -- devising the
20 campus, that's one of the big features that we're looking at

21 is how we would make the whole area a little bit more
secure

22 and a little bit less passive.

23 MR. CHAIRMAN: Are you -- when you made their

24 application for that -- when you make your application, do

25 you have to give them the concepts of what you're
proposing

19

1 or --

2 MR. NORDSTROM: Yeah, and we've always been kind
of

3 aware of all this stuff, because we were doing the security

4 stuff before the 9/11, just out of practicality. We're in

5 an industrial area.

6 There was a time when we first took over and there

**7 were no fences, none of that. People were caught
wandering**

8 through the plant and some pretty colorful stories about

9 bookies coming in and collecting debts and stuff like that,

10 bullet holes in the walls and stuff.

11 So I mean this has been ongoing since, like, '82.

**12 And especially as we go forward, some unmanned facilities,
a**

13 big step that we did with the Ernest Street Pump Station,

14 where we've got 15 people running that pump station. Now

15 everything is done through the computer, so we have the

16 data, awful lot of attention, security of that facility

17 because it's only visited a couple times a shift. It's been
18 an ongoing effort and I like to think we're improving on it.

19 MR. CHAIRMAN: Thank you. Any other questions?

20 Okay. Moving right along. Employee recognition. This is
21 always one of the most pleasant parts of serving on this
22 Board and that's the opportunity to recognize our staff and
23 employees for outstanding performance.

24 Three of our employees have been recognized for
25 excellence in their various categories for education and for

20

1 plans wastewater operation and they've been awarded these

2 recognitions by NACWA and we'd like to take a moment
today

3 to recognize these individuals.

4 The first person we'd like to recognize is Cynthia

5 Morissette for winning an award regarding
Woonasquatucket

6 Watershed Explorers Program. Would you like to expand on

7 the essence of the program, Ray?

8 MR. MARSHALL: I believe that you've heard from

9 Cynthia in the past about what her program involves, maybe

10 she'd actually like to tell us --

11 MR. CHAIRMAN: Why don't you come up.

12 MR. MARSHALL: You can see she's thrilled to do

13 this.

14 **MR. CHAIRMAN:** And I know that, you know, Mike

15 **Salvadore and I were -INAUDIBLE- part of your Explorers**

16 **Program. Mike and I were there. Very interesting,**

17 **educational program. I think we enjoyed it more than**

18 **anybody else, but why don't you explain to the Board**
exactly

19 **what that program is all about.**

20 **MS. MORISSETTE:** Sure. Basically, we focus on the

21 **Woonasquatucket River, because that's what Providence**

22 **service is in, but we also go into the Blackstone, because I**

23 **have some schools in Central Falls and Pawtucket.**

24 **There are 11 schools in the program this year and**

25 **about 520 students. So it's a little overwhelming. We've**

1 reached out to some communities that we hadn't serviced in
2 the past, including East Providence. We do service a small
3 portion of East Providence.

4 North Providence was another one that we reached out
5 to. So I sent letters to the principals asking and we got
6 an overwhelming response, but with having, you know, little
7 staff working on it I just have one school per service
8 community. So right now we have 11 schools.

9 And basically, what they do is they go out to a
10 water quality site that we choose, something close to the
11 school, so the kids take some ownership over it and they

do

12 some water quality testing. Two field trips, once in the

13 fall in October and then once in April for some water

14 quality testing. Then we have monthly lessons where they

15 learn about different aspects of watersheds and

-INAUDIBLE-

16 systems.

17 What the Chairman went to was our overall conference

18 that we have at the end, where the students get to come
and

19 they do some environmental activities, as well as share

20 their ideas through a poster presentation that they do for

21 everyone. So it's very exciting. It's fun.

22 MR. CHAIRMAN: And I'd like you to know that Mike

23 Salvadore is a whiz with crayons. Give him a box of

crayons

24 and he can go crazy. It's great. Congratulations.

25 Next, of course, we'd like to recognize Carmine

22

**1 Goneconte who's been with us -- he's done such a
magnificent**

2 job through the years. Where is that guy. Come on up for

**3 comment. Carmine was -- won the Silver Operations Award
for**

4 all of his efforts at the Field's Point Wastewater Treatment

5 Facility and we want to express our congratulations and

6 thanks to him today, as well.

7 MR. GONECONTE: Thank you very much. This is a

8 plant award won by the people who work at Field's Point,
9 basically for permit compliance.

10 NACWA has a certain amount -- has a requirement of

11 how many permit violations you have or don't have and
they

12 give awards based on that.

13 So although I'm up here to receive it and thank you

14 for the kind words, this award is basically for everyone at

15 Field's Point in operations and maintenance, and in reality

16 it's a whole Bay Commission award, because everybody

17 participates in what we do across the street, so for that

18 thanks to everybody. Appreciate it.

19 MR. CHAIRMAN: And for his counterpart at Bucklin

20 Point, Brent Herring is here, who also won an award.

21 Congratulations.

22 MR. HERRING: Well, I can only -- I won't reiterate

23 what Carmine said, it's so true at Bucklin Point as it is at

24 Field's Point. It's very much a team effort. Everybody in

25 this building and our other operations, IM, that contribute

23

1 to our success. It's truly about success and thank you.

2 MR. CHAIRMAN: Thank you. It's a real pleasure to

**3 be recognized nationally by your peers and Narragansett
Bay**

4 with its commission of excellence and is always right on top

5 of its game and we appreciate it so much.

6 Moving right along. Committee Reports and Action

7 Items Resulting. The first committee reporting was the

8 Finance Committee, which failed to meet a full quorum, so

9 we're going to ask for full board consideration of Review

10 and Approval of Resolution 2007:24, which is an

11 authorization filed for compliance filing for rate relief

12 related to debt service and debt service coverage with the

13 Rhode Island Public Utilities Commission.

14 We heard from Karen with regard to this and it's

15 primarily to protect our credit rating, as well as to meet

16 the requirements of our trust indenture, which is a debt

17 service covered ratio of 1.25. Am I correct?

18 So the Chair will move to approve Resolution

**19 2007:24. Can I have a second? Second, Commissioner
Farnum.**

20 Discussions on that resolution?

21 (NO RESPONSE.)

22 MR. CHAIRMAN: Hearing none. All those that are in

23 favor will say aye. Are there any opposed? There are none

24 opposed and that motion carries.

25 Next order of business from the Finance Committee

24

1 was review and approval of Resolution 2007:25, which is

**2 authorization for the Narragansett Bay Commission to
amend**

3 the definition of permitted investments in the trust
4 indenture of the Narragansett Bay Commission.

5 Basically, it is a housekeeping measure. It
6 simplifies and clarifies the language. In addition to that,
7 it should be noted that these are all in strict compliance
8 with the Rhode Island Investment Commission, as well.

9 Is there anything I need to add with regard to that?
10 Commissioner Worrell, do you have a question?

11 MR. WORRELL: What are we adding to that by -- if
12 anything, by way of a permitted investment?

13 MR. CHAIRMAN: I don't think we're really adding
14 anything, but it's a language clarification. Karen?

15 MS. GIEBINK: It clarifies some of the definitions

16 and some of the thresholds for the types of investments
that

17 you can make. One of the concerns that the trustee had
was

18 with respect to money market funds. The clarification of

19 the language says money market funds that we utilize
would

20 allow for repos within the money markets.

21 MR. WORRELL: I'm sorry? Money market funds would

22 allow for --

23 MS. GIEBINK: Would allow for repos in the money

24 market.

25 MR. WORRELL: So now, we -- a little uncertainty

1 about repos and now it clarifies that, is that basically --

2 MS. GIEBINK: Well, the repos are allowed, but it
3 wasn't within the definition of the money market and then
4 there's some other thresholds that are just clarified in the
5 new -INAUDIBLE-

6 MR. CHAIRMAN: Okay. I think, again, it should be
7 noted that these are all in very strict compliance with the
8 Rhode Island State Investment Commission, as well.

9 So having said that, the Chair moves approval of
10 Resolution 2007:25.

11 MR. SALVADORE: So moved, Mr. Chairman.

12 MR. CHAIRMAN: We have a second by Commissioner

13 **Salvadore.**

14 **MR. DICHIRO: Second.**

15 **MR. CHAIRMAN: Commissioner DiChiro and
Commissioner**

16 **Farnum?**

17 **MR. FARNUM: Yeah.**

18 **MR. CHAIRMAN: Further discussion on Resolution**

19 **2007:25?**

20 **(NO RESPONSE.)**

21 **MR. CHAIRMAN: Hearing none. All of those that are**

22 **in favor will say aye. Are there any opposed? There are**

23 **none opposed and the motion carries.**

24 **Next order of business is review and now approval of**

25 Resolution 2007:26, which is authorization to approve and

26

1 accept the comprehensive annual financial report.

2 In your packet you have all received a draft of the

3 annual report and you're going to hear from Pat from Bacon

&

4 Company in a moment. It's noteworthy that, again, this year

5 that the annual report does not contain any management

6 letters. There are no -- any substantive footnotes, that

7 that -INAUDIBLE- controls are in place and functioning well

8 and that overall it's a great report. Pat, do you want to

9 proceed with your report?

10 MS. BOUCHER: I hope everyone has their audit

11 report. I'd like to refer to the actual report and

12 highlight some information and then answer any questions
you

13 might have.

14 I mean, this is a pretty comprehensive report. It

15 is a comprehensive annual financial report. It's a

16 certificate report that you prepare, so it's quite

17 comprehensive, a lot of good information in it.

18 First thing -- I mean, I think I'll just start right

19 on page 1 and just kind of quickly go through and highlight

20 some information. A lot of the information that is in this

21 document is prepared by management, so I will, you know,

22 identify that.

23 **Pages 1 through 5 is documents prepared by**
24 **management, transmittal letter. It's a requirement for your**
25 **certificate report. It has a lot of good information in it.**

27

1 **We review it just to make sure there's no conflict with the**
2 **audited financial statements -- you know, so as far as data**
3 **and that's incorporated in as part of your audit report.**

4 **The next section that I'll draw your attention to --**
5 **there is a lot of separated pages in here -- is page 10, 11,**
6 **which is our Independent Auditors' Report, which is a clean**
7 **opinion. It's an unqualified opinion, which means that the**

8 statements as presented here are presented in conformance
9 with Generally Accepted Accounting Principles. So that in
10 final form will appear on our letterhead in the report and
11 be signed off by us.

12 Pages 12 through 18 is your Management Discussion
13 and Analysis, that again is prepared by management. It has
14 -- it basically summarizes a lot of the data that's in the
15 audited financial statement, which is a requirement under
16 the Generally Accepted Accounting Principles under GASB
34.

17 And again, we review all the data in here to make
18 sure that's in conformance with the audited financial
19 statements. So that has a lot of good information in there.
20 It's a lot of comparative analysis of the audits from

21 current and prior year.

22 Okay. And actually, the financial statement begin

23 on page 19 -- 19 and 20 are your statement of net assets.

24 Page 20 reflects your net assets at the bottom of the page,

25 where you ended the year, it's your net assets -- your

28

1 excess of your assets over your liabilities.

2 You can see it's approximately \$270 million, your

3 end of the year assets over liabilities broken into three

4 components. The biggest one being, obviously, your

5 investment in capital assets, net related debt. And then

6 your unrestricted net assets of approximately \$55 million.

7 Your only small restriction is on the environmental

8 enforcement money, which is required by law to be

9 restricted.

10 Just some other highlights on those pages. The

11 capital assets on page 19 -- your net investment in capital

12 assets, that's probably the biggest increase from prior year

13 about \$53 million. Obviously, with all the activity going

14 on in issuance of bonds, there's a big increase in your

15 capital assets.

16 The overall increase in your net capital assets,

17 which is your capital assets minus related debt items is

18 approximately \$9.2 million. And your overall increase in

19 your unrestricted net assets was approximately 3.7 from the
20 prior year.

21 I just wanted to note on this page and I mentioned
22 it at the Finance meeting that there was a reclassification
23 from prior years in this net asset section. The total net
24 assets didn't change, what changed was how we classified
25 things in either unrestricted or invested in capital. It

29

1 was just a clarification of what meets the definition of
2 related debts.

3 So there was a couple items there to add back into
4 this component, primarily upon related issuance, cost and

5 remaining bond proceeds, so it kind of changed the
6 components of net assets.

7 But if you look in the statistical sections of the
8 report, all of those numbers are now received, so they're
9 now comparable. But in total it did not change. So I don't
10 know if there's any questions on pages 19 or 20?

11 Page 21 is your actual statement of revenues and
12 expenses for the year, shows your operating revenues,
13 operating expenses.

14 Since you ended with operating income prior to \$22
15 million for the year, after you take a non-operating,
16 primarily being your interest expense on your debt, you had
17 a change in your net assets of approximately \$13 million

18 increase overall in your net assets.

19 Subsequent to you receiving this draft financial

20 statement, management brought to my attention in the
finance

21 that they wanted to reclassify one expense. I had shown

22 amortization upon issuance cost down below as
non-operating.

23 I guess in the past it was shown above in depreciation and

24 amortization.

25 So the final copy of the report will just show that

30

1 change. Overall expenses will be the same. So it was just

2 a presentation change that they request that we make in the
3 report. Any questions on revenues or expenses?

4 Page 22 and 23 is your Statement of Cash Flows.

5 It's a required statement, basically shows the inflows and
6 outflows of all the cash for the year.

7 On page 22 you see your net increase in cash for the
8 year was \$16 million. Again, a lot of that attributed to
9 issuance of bonds, bond proceeds remaining, and then the
10 additional monies that are required to be set aside in
11 restricted accounts, the indentures, PUC, that's a main
12 increase in your cash there. Some of it from operations,
13 but that's primarily it.

14 Page 24 begins your notes to the financial

15 statement. This is a lot of descriptive information that,
16 you know, hopefully will help you in giving some of the
17 details of what's incorporated in the actual financial
18 statements we just discussed.

19 No major changes from last year's footnotes. You
20 weren't required to implement any new reporting standards,
21 so I'm really -- again, a lot of it's descriptive,
22 especially notes one and two.

23 The remaining footnotes, I think pretty much if you
24 were to look at last year's report, they're similar,
25 obviously, but just being updated for the new information.

1 **Page 28 will show your detail and your change --**
2 **note four, your capital assets, which I said, that's where a**
3 **lot of your activity took place in the exchange. And then**
4 **starting with note six it's all your loan activity, so I**
5 **mean, again, that's an area where there's the biggest**
6 **change.**

7 **Note eight is your long-term debt. Like I said, no**
8 **major changes. A little bit of wording changes on some of**
9 **the pension footnotes -- you know, management -- these**
10 **really are management footnotes and we just review them**
and
11 **work with them to get them in conformance with the**
12 **standards, but it's how they would like them presented.**

13 **Page 41 is your Schedule of Expenses Budget to**
14 **Actual, shows your final budget and then your actual**
15 **expenditures. It covers three pages. Page 43 shows your**
16 **budget expenditures -- you were under budget by,**
17 **approximately, \$2.8 million on a budgetary basis.**

18 **Obviously, there's going to be some differences**
19 **between these expenses and what's reported in our GAAP**
20 **Financial Statements and those items are reflected below.**

21 **Primarily, you know, in GAAP Statements we report**
22 **depreciation, that's not a budgeted line item and capital**
23 **assets are budgeted, but not reported as an expense for**
GAAP
24 **purposes.**

25 **So that's just that reconciliation between the two**

1 statements, page 43. That highlights -- you know, that's
2 pretty detailed and is consistent, I believe, with the
3 monthly reports that you receive, that budget to actual.

4 And page 44 and 45, 46 and 47 is just a breakdown of
5 funds that you're required to maintain for your bond
6 indenture. The total column will tie to the statements in
7 the front that we discussed, but this is the breakdown of
8 the funds that are required for the indenture.

9 And then we get into the statistical section of the
10 report. Most of -- all these tables are prepared by

11 management. They do say they're unaudited, but we do
review

12 them to make sure that they're consistent with the rest of
13 the audited financial statements, so that has a lot of good
14 historical, demographic information in it.

15 Again, these are requirements for your certificate
16 report for the GFOA and those have changed slightly from
the

17 prior year, just because of the GASB Standard 44 that
18 changes the tables, so that has some good information in it,
19 as well.

20 And then the last section is the Compliance Section.

21 Page 63 is your Internal Control and Compliance Report.

22 This also has changed -- the presentation of this report has

23 changed as a result of a new standard that we had to
24 implement.

25 It really kind of just redefines -- in the past it

33

1 was considered reportable condition, now it's a significant
2 deficiency or material weakness, but the procedures we're
3 required to perform pretty much have stayed the same.

4 We perform internal control reviews and compliance
5 testing and as you can see in this report there were no
6 findings of internal control or compliance issues in this
7 report.

8 Then there's Schedule of Federal Awards and Schedule

9 of Travel/Entertainment, which are documents that the
10 Auditor General's Office requires for incorporation of state
11 report.

12 So that's a real good overview of the financial
13 statement. A couple other things I just wanted to note in
14 the Statistical Section, on page 59, your debt coverage,
15 again, is a big thing that we look at as part of the audit,
16 because it's a requirement.

17 I think you're at 1.37 percent, which the
18 requirement is, of course, 137 percent. It's a 125 percent,
19 so you're in compliance with that. So I think that's it.

20 Are there any specific questions on the report?

21 MR. CHAIRMAN: Does anyone have any questions

22 regarding the annual financial report?

23 (NO RESPONSE.)

24 MR. CHAIRMAN: No one? Okay. In such case the

25 Chairman will move that we accept and approve Resolution

34

1 2007:26, approval of the annual financial report for fiscal

2 year 2007.

3 MR. CAINE: Second.

4 MR. CHAIRMAN: Seconded by Commissioner Caine.

5 MR. SALVADORE: Second.

6 MR. CHAIRMAN: Commissioner Salvadore, as well.

Any

7 further discussion? If there is no further discussion, all
8 those in favor will say aye. Are there any opposed? None
9 opposed and the motion carries.

10 I'd like to thank Karen and, of course, Leah

11 -INAUDIBLE- for all their hard work in preparation of the

12 annual report and thank Bacon & Company, as well. Thank
you

13 so much for all your efforts.

14 MS. BOUCHER: Thank you.

15 MR. CHAIRMAN: Moving right along. Committee

16 reporting, CEO?

17 MR. SALVADORE: Mr. Chairman, I want to assure the

18 Board of Commissioners that the CEO Committee is alive
and

19 we're functioning at peak. For the first time in my memory,

20 Mr. Chairman, we do not have a report.

21 MR. CHAIRMAN: That's true. You're right. It's a

22 long time since the CEO Committee was not active.

23 MR. SALVADORE: See you next month.

24 MR. CHAIRMAN: We'll have something for you next

25 month. Next committee reporting would be the Personnel

35

1 Committee. I don't think there was any report from the

2 Personnel Committee. Legislative Committee? Joann,

3 anything to report?

4 MS. MACERONI: Nothing to report.

5 MR. CHAIRMAN: Were there any legislative actions

6 that the Board should be aware of?

7 MS. MACERONI: Included in the packet is my final

8 legislative report, which notes about nine -- six bills that

9 are of interest to us.

10 I think the most important one is the first one I

11 have listed, which is the amendment to the Renewable
Energy

12 Standard Statute.

13 We were able to work with the sponsor,

14 Representative Seigel, and the Senate Policy Advisor, Ken

15 Payne, to include Narragansett Bay Commission in the

16 amendment, so that if we do build a wind turbine across the

17 street we would be able to participate in the Net Metering
18 Program, which would be very beneficial to us.

19 So thanks to Laurie Card-Bissonnette (phonetic) for

20 her work on this amendment, Jim McCoughey from PP&R.
Again,

21 we were able to work with the sponsor and Senate to
amend

22 the bill. Other than that, everything else is just kind of

23 standard.

24 MR. CHAIRMAN: Thank you. Rules and Regulations

25 there was no meeting. No report. Long Range Planning
there

1 is no meeting this month, but the Long Range Planning is
2 going to become very active in the next couple of months.
3 We're hoping to have a report -- Tom, do we have a report on
4 the expansion program for next month?

5 MR. UVA: I can get it for you, Mr. Chairman, if you
6 like.

7 MR. CHAIRMAN: Yeah, for the retreat.

8 MR. UVA: We'll have an update.

9 MR. CHAIRMAN: Okay. Great. I'll get Long Range
10 Planning active in that regard. Next committee reporting
11 would be the Citizen Advisory Committee. Do you have a
12 report for us today?

13 MR. GADON: Yes. The CAC did not meet last week,

14 but will meet this evening due to special circumstances at
15 which time I'll report as to what transpired during this
16 meeting.

17 In regard to our members and staff, George Redman is
18 now doing quite well while recuperating at home. He
19 expects to start attending meetings in December. He'll
20 appreciate if you delay any Long Range Planning Meetings
21 until he gets back.

22 And the other thing is we wish to express our
23 sympathies to Jamie Samons who recently lost her mother
and
24 will be returning to our next meeting.

25 MR. CHAIRMAN: Thank you. Appreciate that.

1 Executive Committee had no report. The Ad Hoc Committee
on

2 Compensation, unfortunately Commissioner Kimball is not
well

3 and is unable to be here today, but the Ad Hoc Committee
on

4 Compensation did meet earlier in the month and it was

5 resolved that we would ask The Employer's Association -- I

6 don't know if everyone here is familiar with The Employer's

7 Association.

8 Is everyone familiar with who they are, the

9 Employer's Association? The Employer's Association is a

10 service and agency that we have used in the past. They are
11 non-profit.

12 A lot of employers use this specific agency for a
13 number of tasks relating to employees and primarily
14 compensation levels and benefit levels and those sort of
15 things.

16 And Narragansett Bay Commission has used them in
the

17 past. At the Ad Hoc Compensation Committee meeting we
18 agreed to ask them for a proposal, which they have
19 submitted, which would basically research where our
20 employees are relative to industry compensation and
21 benefits. Commissioner Caine, you were involved in that
22 discussion, as well as some of the other members here.

23 But what has transpired since is we did receive a
24 proposal from the Employer's Association and Ray has
25 reviewed it with me and we'd like to review it with the

38

1 Board and then we'd like to proceed with this. So, Ray, why
2 don't you kind of discuss --

3 MR. MARSHALL: Sure. I'd be happy to do that. What

4 I had them do is -- because they have done so much work
here

5 in the past establishing -- or helping us establish all of

6 our job titles, job descriptions and pay grades. And then

7 as I think we -- you know, we mention every year they review

8 all of the ranges to see if they need any adjustments based
9 on industry trends.

10 They were able to work up for us what I think is a
11 very compact, but a very comprehensive set of work items,
a
12 scope of work. I believe you all have a copy. I wrote
13 draft on the front of it, because I wasn't going to approve
14 it until any number of you have had the opportunity to
15 either ask for additions or deletions from this.

16 Now, they'll look at all of our job -- all of our
17 non-union jobs, all the positions, all the pay grades. They
18 will compare those to what they are seeing in the industry
19 and they actually identify some market-based evaluation

20 sources that they will compare us to, not only in terms of
21 pay rates, but also in terms of our benefits.

22 They will also compare us to other national public
23 agencies, for example, the Hampton Roads Sanitation
24 District, Northeast Ohio, just to name a few large
25 organizations that are similar in nature.

39

1 In addition to regional quasi agencies, whether it's
2 Resource Recovery or the MWRA in the Boston area and
also to
3 the people that we compete with for staff; that is, the
4 engineering firms in the wastewater industry.

5 **We'll be able to help them identify and get some**
6 **response from some of the large engineering organizations**
7 **that do work for us, as well as some of the smaller, more**
8 **local organizations that do work for us.**

9 **We should have a good cross section of how we stack**
10 **up against the competition, so to speak, in terms of**
11 **acquiring or hiring and then retaining employees in the**
12 **non-union category.**

13 **And as I believe I already mentioned, in addition to**
14 **payroll there will also be benefits. Then they will come up**

15 **with some recommendations for the Compensation**
Committee and

16 **therefore the Board as to where we stand and what, if any,**
17 **actions we should take going forward.**

18 They expect to be able to do this in a fairly short
19 order or time period of about 60 days and if they get the
20 okay to proceed beginning the week of October 1, they
should
21 be done by Thanksgiving and then we can report back to
you
22 on their findings.

23 MR. CHAIRMAN: Commissioner Caine, did you want to
24 comment?

25 MR. CAINE: This is just -- when we met, one of the

1 big issues is it's very hard to find comparative data for

2 people who work for an organization like this, it's just not
3 like you've got -- being an attorney, looking at law firms
4 and looking at what law firms are offering new hirers to
5 come out and where there are. Because it's such a unique
6 organization, it's hard to find that comparative data.

7 In this case it's a relatively -- I'll call it
8 inexpensive, although the number seems relatively high for
9 \$17,500, but there's a lot of work that's going to have to
10 go into this, obviously.

11 But at least it will give a comparative to see where
12 we are from a compensation perspective, but also as you
grow

13 and as we grow here the ability to kind of retain your good
14 employees and frankly any employee here is huge.

15 And one of the problems I think we discussed in that
16 was losing folks to engineering firms that may be able to
17 pay a significant higher value doing either similar or
18 something that might be a little bit different.

19 This is at least the first step in taking a look at
20 kind of where the employees are and the non-union
employees

21 are here and this was recommended by everybody on the
22 committee.

23 MR. CHAIRMAN: Okay. So we're going to ask The
24 Employer's Association to proceed and we'll have that
25 report -- you said before the Thanksgiving meeting?

1 **MR. MARSHALL:** That's an unexpected -INAUDIBLE-

2 **MR. CAINE:** Do you need a motion, Mr. Chairman, or

3 anything to move this or approve this? Does anybody have

4 any questions or issues about it?

5 **MR. CHAIRMAN:** I feel we were pretty clear on our

6 motivation for doing this in earlier meetings and everyone

7 was on Board. If you want, out of an abundance of caution,

8 we'll take a motion to proceed with this --

9 **MR. CAINE:** I would move to accept the contract and

10 move forward with that.

11 **MR. CHAIRMAN:** We have a motion.

12 **MR. FARNUM:** Second.

13
Salvadore

MR. CHAIRMAN: Seconded by Commissioner

14 and Commissioner Farnum **-INAUDIBLE-** further
discussion? All

15 those that are in favor will say aye. Any opposed? None

16 opposed and the motion carries.

17 Next committee reporting is the Ad Hoc Internal

18 Ethics Committee. Commissioner DiChiro chaired that

19 meeting. Commissioner DiChiro, do you have a report for
us?

20 **MR. DICHIRO: Yes, Mr. Chairman. Thank you. The**

21 Internal Ethics Committee met last month. There was a

22 number of members in attendance. We discussed,
basically,

23 the issue of ethics, because it's a new committee and it was

24 the first meeting we've had.

25 We discussed the issue of ethics and ethics

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1 reporting within the Narragansett Bay Commission within
the

2 organization and we discussed the concept of having an

3 outside agency or an outside company come in and review

4 actions by the Narragansett Bay Commission, by employees
and

5 Members of the Board, as well.

6 And I guess the spirit -- we didn't put it to a

7 vote, but the impression of most of the members -- or the

8 majority of the members there was that there's no need to
9 have an outside agency or an outside company come in to
do
10 that, because as members -- as appointed members -- most
of
11 us are appointed -- or we are all appointed. We're
12 obligated to file with the Ethics Commission. Every year
13 we're obligated to file a statement with the Ethics
14 Commission, which lists your compensation and your
interest
15 in any companies.

16 So the understanding or the idea of the majority of
17 the members that day was that that pretty much covers it,
18 that we're covered by the Ethics Commission.

19 However, to go one step further, out of an abundance

20 of caution, what we decided to do was speak to the Ethics
21 Commission and I think we're going to have our staff do
22 that, talk to the Ethics Commission themselves, because we
23 understand that they do send out a person or persons, who
24 will come to an organization and give a brief presentation
25 on ethics and take a look at what we're doing and maybe
give

43

1 us some ideas.

2 So that's where we left it that we're going to have
3 staff -- someone from staff speak to the Ethics Commission
4 and maybe give a presentation at the October retreat, that's

5 where we left.

6 MR. MARSHALL: We did do that. Laurie, Jenn

7 Harrington and I met with the Ethics Commission Attorney.

8 I think Jenn is prepared, if you'd like, to give a very short

9 summary of what happened at that meeting.

10 MR. CHAIRMAN: Come on up, Jenn.

11 MS. HARRINGTON: As most of you know, my name is

12 Jennifer Harrington and I work in the Legal Department here

13 at NBC. Pursuant to the Internal Ethics Committee's

14 instructions following the August 30th meeting, we
contacted

15 Jason Gramitt at the Ethics Commission. He's the Rules

16 Coordinator.

17 In addition, to his responsibility as Rules
18 Coordinator he also goes to different agencies, companies,
19 organizations and conducts education and training.

20 So we thought he'd be the most appropriate person to
21 speak with to review our existing policies and discuss the
22 ideas that the committee had.

23 Upon speaking with Mr. Gramitt, we explained to him
24 that in an effort to be proactive, as one of the

25 Commissioners had used that term in the meeting, and
insure

1 that NBC is doing everything that it needs to, to be in

2 compliance with the Rhode Island Code of Ethics that the
3 Board had formed this Internal Ethics Committee and that
4 they were interested in having him come in and speak at the
5 October retreat.

6 He was delighted at the prospect and offered to come
7 in and meet with a couple of us beforehand to find out
8 exactly what we were looking for. So on September 13th,

9 Jason Gramitt came in and spoke with Ray, Laurie, who is
our
10 General Counsel, and myself.

11 And at that time what we did was we kind of told him
12 what we currently have in place, the measures that we have
13 here at NBC, and how we address ethical issues.

14 **We gave him a copy of the excerpt that we handed out**

15 **to all of the Commissioners at the Ad Hoc Committee and**
that

16 **is included in our Non-Union Employee Handbook for him**
to

17 **look over.**

18 **We explained to him why this committee was formed**

19 **and we also let him know that this was the committee's idea**

20 **to have him come in. It was nothing specific, but just to**

21 **kind of go over what's going on in the Rhode Island Ethical**

22 **world today, basically. He made suggestions like opening**

23 **meetings, recusals, ex parte communications, conflicts of**

24 **interest, things like that.**

25 **Mr. Gramitt was actually very impressed with the**

1 policies that we currently have in place now and said that

2 no other agency aside from the Department of Health had
gone

3 this far to address ethical issues.

4 He specifically asked if we had anything on

5 conflicts of interest and moonlighting. So we turned his

6 attention to the packet we had provided him. He was

7 actually surprised that we had it in writing. A lot of

8 agencies and organizations just rely on the Code of Ethics

9 themselves instead of having a smaller section for the

10 employees to go and look at. So he thought that was quite

11 helpful.

12 We also raised the idea of providing the

13 Commissioners with vendor lists, because that was
something

14 that came up in the subcommittee meeting. And the idea of

15 -- I don't know how to say it, but maybe an audit or an

16 accounting, so to speak, would have an outside
organization

17 come in and we wanted his opinion on these two ideas.

18 He basically said that the only thing that really

19 needs to be done by the Commissioners, if they suspect a

20 conflict of interest, is to file the recusal form that's

21 online with the Ethics Commission.

22 He would be very much in support of the idea of

23 providing the Commissioners with a vendor list, but he did
24 say that that was something that he wasn't aware that any
25 agency was currently doing, but it wouldn't be a bad idea.

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1 We also addressed the idea of accounting/audit, but
2 he wasn't sure exactly what that would accomplish as he felt
3 that an outside organization seemed -- would be taking the
4 vendor list, so to speak, and comparing it to the
5 Commissioners' financial disclosures statements that are
6 currently on file and that was something we could handle at
7 NBC on an internal basis.

8 So with that, we requested that he look over our

9 handouts and we'll speak to him about it at a later date.

10 We told him that after the Board met in September that we

11 would be getting back to him with a firm date and time for

12 him to come and speak at the October retreat. He was

13 blocking off a time period for us, and that was it.

14 MR. CHAIRMAN: So how was it left? Is he coming in

15 October?

16 MS. HARRINGTON: Yes, he is. He has the date open

17 and I told him that after today's meeting Ray would be

18 firming up the exact time for him to come in. I figured you

19 guys would -- like, whether it's going to be a morning

20 retreat or afternoon and then we can give him an hour or so

21 to speak, to come in and give a presentation and answer

any

22 questions that anyone might have and some handouts and
stuff

23 that he gives on his -- on his training programs and

24 whatnot.

25 MR. CHAIRMAN: Okay.

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1 MR. DICHIRO: Thank you. I guess that concludes the

2 report, Mr. Chairman. I don't know if we need to vote on

3 it.

4 MR. CHAIRMAN: There's nothing before us. I guess

5 we'll just -- well, from my perspective there's nothing

6 before us for a vote. Are you expecting him in October
7 then? He's going to present?

8 MR. DICHIRO: I guess he'll present at the retreat.

9 MR. CHAIRMAN: And then you'll call another
10 subcommittee meeting?

11 MR. DICHIRO: Yeah, I imagine that's what will
12 happen.

13 MR. CHAIRMAN: Fine. Thank you. The next Ad Hoc
14 Committee would be the Ad Hoc Committee on the
Paperless

15 Board. I guess, we call it that. There was a meeting. The
16 Members of the Board -- of the committee were unable to
17 attend, but the executive committee members were there
and

18 so we proceeded with a presentation on moving forward
with a

19 new paperless board process and IT made a presentation
and I

20 think today -- are we going to move forward with that

21 presentation today?

22 MR. MARSHALL: They are prepared to give, basically,

23 the same presentation that they gave a couple weeks ago,

24 except it's been updated and it's been developed even

25 further and it would give you an idea as to what you'd be

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1 looking at when -- next month when we actually do the

2 training, where you'll all have the laptops in front of you

3 and you'll actually step through it yourself in an effort to
4 move away from the piles of paper that you have before
5 you -- two or more --

6 MR. CHAIRMAN: Well let me just say this, it's 20
7 minutes -- 22 minutes after 12:00. The presentation was
8 about 10 minutes, maybe. I mean, we could talk about it
9 today. You could get a sense of what it's about and go into
10 it more extensively in October or we can pass today. I
know

11 it's getting a little late. What is your pleasure?

12 Anybody?

13 MR. SALVADORE: Do it next month.

14 MR. CHAIRMAN: You want to do it next month? We
can

15 move onto next month, except to say, just briefly if we
16 could just talk about the hardware we selected. Is
17 anyone -- we did select the hardware. You want to talk just
18 a little bit about the hardware, maybe have a sample for the
19 Board. Perfect. If you could just talk about that a little
20 bit.

21 MR. SMITH: During the last meeting there was a
22 discussion as to size, weight of the units and the --

23 MR. CHAIRMAN: Why don't you come up here, so you
24 can sit it right up --

25 MR. SMITH: Those who were present agreed that this

1 size would be best for all concerned, because of its weight.

2 The screen is a 15-inch wide screen unit. I'd be more than

3 happy to pass it, if people actually want to hold it.

4 MR. CHAIRMAN: And that was really the one that was

5 selected over -- that's a 15-inch screen, right? The other

6 one that was presented was a 17-inch screen, but it was a

7 lot heavier and a little more awkward to carry around and

8 move around.

9 MR. SMITH: I think at this point no decision has

10 been made as to whether or not they will be taking them
with

11 them or just leaving them here. It would help to know that

12 at some point.

13 **MR. CHAIRMAN:** Did you have an opportunity to talk
14 to -- is that a Hewlett Packard?

15 **MR. SMITH:** Yes.

16 **MR. CHAIRMAN:** That's an HP. Did you have occasion
17 to talk to the vendor about approximate cost at all? Why
18 don't you talk about that, just a little bit?

19 **MR. SMITH:** The cost per unit is \$1,500.

20 **MR. CHAIRMAN:** That's net cost to the Commission?

21 **MR. SMITH:** That's net cost to the Commission.

22 **MR. CHAIRMAN:** Each. That's not all of them?

23 **MR. SMITH:** No, that's per unit. I can give you --

24 the total price is \$33,884, that includes the laptops,

25 includes a mouse for easy use. So you're not using the

1 touch pad. We will also have a special cart to hold the
2 units and charge them when they're here, not necessary, but
3 if people choose to leave them, they'll be set up there.

4 MR. CHAIRMAN: It's actually what we anticipated
5 anyway about \$30,000, so it's not far off. We actually
6 thought they'd be about \$30,000 all in, so --

7 Well, this is the hardware. This is how far we got
8 so far. I guess what we're saying is we'll go into a -- be
9 prepared to go into a small training session at the October
10 retreat. We kind of walked through it last month. It

11 doesn't seem to be too difficult, but I don't know if we're
12 going to be 100 percent paperless.

13 We're going to give the Commission an opportunity,
14 an option to continue to receive packets or go online, but
15 in any event it will dramatically cut down on the amount of
16 copy and paper and a lot of work that is currently being
17 done manually.

18 MR. WORRELL: So we would receive a week or so
19 before a meeting an e-mail that we could open and look at
20 these reports?

21 MR. SMITH: Right.

22 MR. WORRELL: And then when we came to the
meeting

23 we wouldn't bring anything, but we could open up to the

same

24 --

25 MR. CHAIRMAN: I guess the decision is going to be

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1 made: How do you want to deal with the hardware itself?

2 Some of us have computers. Some of us don't. In any
event,

3 you could take the computer with you, this would be
e-mailed

4 to you -- a disk -- I guess it would be a disk, right, or

5 it's going to be electronic transmissions?

6 MR. SMITH: It's all electronic.

7 MR. CHAIRMAN: It's all electronic transmissions, so

8 **you would be receiving your packet electronically. When**
you

9 **come to the board meeting, you set your computer down,**

10 **everything is in front of you. There's literally no paper,**

11 **except for incidental things that we may need, so that's the**

12 **plan -- that's pretty much it in a nutshell, right?**

13 **MR. SMITH: It will be available 24 hours a day.**

14 **It's a special site that my crack staff has created, so that**

15 **you're not bound to the system. Any computers that you**
have

16 **access to will allow you into the report.**

17 **MR. MARSHALL: So if you're traveling and you want**

18 **to do it from your vacation spot or your hotel room or**

19 **whatever, you can log in, see what's coming up for the**

board

20 meeting, close it down. Then when you show up here, we'll

21 have a computer waiting for you; or if you'd rather use your

**22 own computer, you can let us know that. If you carry
around**

23 a laptop anyway and you don't want to be bothered with

**24 having another laptop that you have to drag around, you'd
be**

25 able to use your own in addition.

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1 So -- and we will run, as the Chairman pointed out,

2 I think the term is parallel systems, that is electronic and

3 hard copy for a month or two or three until we make sure

4 that everyone's comfortable. And I suppose in the end if
5 you really want to remain with all paper, I think Jean would
6 be okay with producing five packets, rather than 50 packets,
7 right, Jean?

8 MS. GROSSI: No doubt.

9 MR. CHAIRMAN: In addition to that, I think what
10 we'll plan to do is make some computer training available
11 for anybody who needs it on an individual basis. We'll have
12 people here from IT when the meeting starts, you know, just
13 until everybody gets accustomed to using it, make sure
14 everybody is following along and getting accustomed to the
15 new system.

16 I'm very enthusiastic about it and in addition to

17 the cost mitigation, I think these units are going to pay

18 for themselves very quickly in terms of staff time and paper

19 and supplies and all the things that go along with
producing

20 these packets. What does it cost us to send the packet out,

21 Jean-Marie?

22 MS. GROSSI: Before the new mailing procedures came

23 in from the US Mail, they have new envelopes that they say

24 is cheaper to use. Prior to that, though, anywhere from \$4

25 to \$6 something -- \$4 to almost \$7.

1 MR. CHAIRMAN: And how many packets go out to all

2 the people that receive them?

3 MS. GROSS: About 28 in total.

4 MR. CHAIRMAN: 28 to 30 --

5 MS. GROSS: Approximately.

6 MR. CHAIRMAN: And then that's all the time and

7 effort and staff time all that affiliated with that

8 processing. I think we're going to realize the value of

9 this expenditure really quickly, so -- in addition to being

10 more efficient, so --

11 So I guess in October we'll be getting a little bit

12 of a training session. We'll have individual training

13 available on an as-needed basis and we're going to get this

14 going. How long before we place an order will we receive

15 the actual hardware?

16 MR. SMITH: Well, the good news is the order was
17 placed last Friday, so I'm glad everybody is okay with this.

18 MR. CHAIRMAN: That's great. When will we receive
19 the hardware? Will it be available for, I assume, the
20 October meeting, so --

21 MR. SMITH: We are doing everything in our power to
22 make that happen.

23 MR. CHAIRMAN: Is Hewlett Packard the kind of
24 hardware that we're using now in IT?

25 MR. SMITH: That's what we use here. In fact, what

1 we did with these units was roll them into -- we lease our
2 product here for three years, so what we did was roll these
3 into the lease.

4 MR. CHAIRMAN: Perfect. Thank you. Any questions,

5 anyone, regarding the issue of our computer use,

6 paperless -- okay. Perfect. Chairman's report. Chairman

7 has no report, other than to say that over the next couple

8 of months certainly, I think a pretty exciting time for the

9 Commission. We have some real expansion opportunities
here,

10 not only necessary, but in terms of operating efficiencies

11 are going to be, I think, very exciting.

12 Long Range Planning is going to get really

13 intimately involved with this process. Tom will have a --
14 Tom, are you going to be reporting on this in October or is
15 someone else going to be reporting -- bring us up-to-date?

16 MR. UVA: Absolutely, sir.

17 MR. CHAIRMAN: Maybe get some of that virtual
18 imaging for us.

19 MR. UVA: Absolutely. I'll bring a presentation for
20 you.

21 MR. CHAIRMAN: Other than that, the next board
22 meeting is -- we have a --

23 MR. MARSHALL: One or two more things, Mr. Chair.
24 If I could just pass out this handouts as Cynthia -- this is
25 outlining our planned celebration for the 25 years of

1 operating Field's Point and 15 years of operating Bucklin
2 Point and the 35th anniversary of the Clean Water Act. This
3 will give you a little bit of information on that. We'll be
4 sending you more. Jamie is coming to be back today and
5 we'll be getting more information out to you about those
6 activities.

7 MS. MORISSETTE: Yeah, I mean everything is still in
8 the planning process. We have dates set up and activities
9 set up, but we -- I mean, we're still trying to put
10 everything together.

11 **MR. MARSHALL:** It's October 18, 19 and 20. We'll
12 celebrate each of the anniversaries on individual days at
13 different locations and we'll keep you updated on what's
14 going on with those activities.

15 **MR. CHAIRMAN:** That's a new business item.

16 **MR. MARSHALL:** Yes. On the board meeting/retreat
17 for October we will have some action items, so we'll have to
18 actually have a Board Meeting and some committee
meetings as

19 we would normally do. We'll try to keep those short.

20 We're going to send out to each of you a
21 questionnaire. We're going to do a poll, either by e-mail
22 and/or regular mail asking for your feedback on how much
23 time you think you have that day and give you a list of

24 items that we can suggest that we cover that day and we'll
25 see what the level of interest is, that would include the

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1 paperless board training. We'll have the Ethics Commission
2 Attorney in. We'll give you a CSO update on both Phases I
3 and II.

4 We can explain to you what we do on the shellfish
5 transplant program, that will be Jean's presentation. Then
6 we have a combination of the future NBC facilities that the
7 chairman was just mentioning, along with the status of the
8 work we're doing with the City of Providence in acquiring

9 the land that they own that we're interested in. Those two
10 work hand in hand.

11 And another example would be where we are on the
12 wind turbine project. We have some interesting video and
13 noise level readings that have been done actually at the
14 site to kind of give you a better idea of what's going on.

15 So we'll list all of those in the communication to
16 you in the next week or so; and if you could just give us
17 feedback, you are interested in all of those, none of those
18 or in addition to those or instead of those, you have other
19 items that you would like to go over, we'd be happy to do
20 that.

21 MR. CHAIRMAN: Okay. Moving along to other
business

22 before we go to adjournment, I would like to make a motion

**23 that the Commission extend its sincere condolences to
Jamie**

24 Samons on her recent loss. She's not with us today, of

25 course. Her mother after a long illness has passed away. I

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**1 would move that the Commission extend their condolences
to**

2 Jamie in an appropriate resolution.

3 I would assume that's seconded by the entire Board.

4 All in favor will say aye. And all opposed would say nay.

5 There are none opposed.

6 **So I have one humorous story I'd like to tell you**
7 **about my summer events, kind of embarrassing actually, but**
8 **you know, just to show that I'm not perfect.**

9 **So I have a place in Narragansett -- a summer place**
10 **in Narragansett, but I never had a boat. My children kept**
11 **asking me to get a boat, get a boat, get a boat. I always**
12 **thought it was just a pain and I spent very little time up**
13 **at the house to begin with and a boat would just add to the**
14 **aggravation.**

15 **Well, I decided to acquire a boat, Not a big boat,**
16 **but just a boat to have some fun with. No real experience**
17 **on the water. So one particular day -- and I'd only been on**
18 **it a couple times -- one particular day I decided to take it**

19 into Providence -- you know, we have to come by
Conimicut.

20 It was low tide. So I went to the left side of the

21 lighthouse. Of course, I should have been to the right side

22 of the lighthouse and I ran aground, which wasn't

23 embarrassing enough, except that all the shell fisherman
are

24 out there, digging the shellfish.

25 Couple of quahoggers came over, couple shell

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1 fishermen came over they say, you're supposed to be on the

2 right. Yes, I know. I wasn't paying attention. Then he

3 happens to notice that I have an NBC cap on and a

4 Narragansett Bay Commission shirt. He said, Narragansett

5 Bay Commission, you work for them? No, I said, I don't
work

6 for the Commission, but I am on the Board of Directors and

7 I'm the Chairman.

8 And instead of him saying, gee, we're so happy that

9 you've been engaged in the transplant process, you're the

10 Chairman of the Bay Commission, don't you have a shot,
can't

11 you see the water and he starts to reprimand and harass me

12 and then he calls his friends over and try to get me off

13 this burrow of sand that I couldn't get off. It was the

14 most embarrassing situation, to be representing the NBC
and

15 they you are run aground.

16 So I had my first incident. Now, I've learned to

17 stay to the right of the lighthouse. So having said that,

18 we move to adjourn. Commissioner Salvadore makes that

19 motion and is seconded by all the Commissioners. All
those

20 in favor say aye. Any opposed? None opposed and the
motion

21 carries. The meeting is adjourned.

22 (HEARING CONCLUDED AT 12:33 P.M.)

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C E R T I F I C A T E

I, ASHLEY C. HIGH, RPR, Notary Public, do hereby

**certify that I reported in shorthand the foregoing
proceedings, and that the foregoing transcript contains a
true, accurate and complete record of the proceedings at the
above-entitled hearing.**

IN WITNESS WHEREOF, I have hereunto set my hand

this

29th of October, 2007.

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ASHLEY C. HIGH, RPR, NOTARY PUBLIC

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MY COMMISSION EXPIRES: 6-22-11

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IN RE: Narragansett Bay Commission Board Meeting

DATE: September 26, 2007

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